

INDIANA BOARD OF ACCOUNTANCY
MINUTES
February 15, 2013

I. CALL TO ORDER AND ESTABLISHMENT OF A QUORUM

Ms. Johnson, Chair of the Indiana Board of Accountancy, called the meeting to order at 10:00 am. in Room CC5 of the Indiana Government Center South, 402 West Washington Street, Indianapolis, Indiana 46204 and declared a quorum in accordance with IC § 25-2.1-2-8.

Board Members Present:

Ms. Shelley Johnson, CPA, CGMA, Chair
Mr. Gregory Coy, CPA, Vice Chair
Mr. Timothy Deisher, CPA
Mr. John Kane, CPA
Mr. James O'Brien, CPA, Esq.
Mr. Randolph Holt, Esq.

State Officials Present:

Ms. Kate Lowhorn, Board Director
Ms. Jacque Retter, Assistant Board Director
Mr. Brian Cusimano, Compliance Director
Ms. N. Beth Line, Project Administrator
Mr. James Schmidt, DAG, Office of the Attorney General

II. ADOPTION OF THE AGENDA

A motion was made and seconded to adopt the amended agenda.

HOLT/O'BRIEN
Motion carried 6-0-0

III. ADOPTION OF THE MINUTES FROM THE JANUARY 18, 2013 MEETING OF THE BOARD

A motion was made and seconded to adopt the amended minutes from the January 18, 2013 Board meeting.

DEISHER/COY
Motion carried 6-0-0

IV. ADMINISTRATIVE HEARINGS

A. In the Matter of the Unlicensed Practice of M. Sue Krebs

Order to Show Cause Re: Motion to Cease and Desist
Cause No.: IBA 13-05

Respondent is not present or represented by counsel.

Mr. Don Brooks, investigator with the Office of the Attorney General, is sworn as a witness.

Mr. Joe Basile is present to represent the State of Indiana. Mr. James Schmidt is present to advise the Board.

Ms. Sherri Rutledge is the designated court reporter.

Participating Board Members:

Ms. Johnson (Hearing Officer)

Mr. Coy

Mr. Deisher

Mr. Kane

Mr. O'Brien

Mr. Holt

On two occasions an order to show cause was issued to the respondent, M. Sue Krebs, and was returned unclaimed. This appears to show intentional actions to not receive the order.

The state requests the Board issue a Notice of Proposed Default.

A motion was made and seconded to issue the respondent, M. Sue Krebs, a Notice of Proposed Default.

HOLT/DEISHER

Motion carried 6-0-0

V. APPLICATION REVIEW

A motion was made and seconded to approve the following applications for certification and table the application for Lynn Suzanne Skochdopde pending a personal appearance:

Via Reciprocity:

- i. Lesniak, Michelle Lyn

Via Transfer of Grades:

- ii. Ledo, Kristina Renee
- iii. Smith, Kristin Michelle

Via Reinstatement of Lapsed Certificate:

- i. Active
 - a. Ackerman, Andrew Joseph (CP10100126)
 - b. Carroll, Robert Patrick (CP18571990)
 - c. Cline, Cory Don (CP10000073)
 - d. Murdock, Shelley M. (CP19100485)
 - e. Rahman, Randy Hugo (CP19100044)
- ii. Inactive
 - a. Bowman, Bradley W. (CP19700061)
 - b. Zhang, Ya (CP10700214)

HOLT/DEISHER

Motion carried 6-0-0

VI. NOTICES OF NON-COMPLIANCE

A. RECOMMENDATION: Civil Penalty - \$100

Light, Deborah

A motion was made and seconded to find Debra Light in noncompliance. Her license shall be placed on conditional status pending the completion of two (2) hours CPE in the subject matter of Accounting & Auditing and payment of a one hundred (\$100) dollar civil penalty.

HOLT/DEISHER

Motion carried 6-0-0

B. RECOMMENDATION: Civil Penalty \$101 - \$1,000

Brewer, Bret

A motion was made and seconded to find Bret Brewer in noncompliance. His license shall be placed on conditional status pending the completion of fifty two (52) hours CPE and payment of a five hundred and sixty (\$560) dollar civil penalty.

HOLT/KANE

Motion carried 6-0-0

Fillenwarth, Steven

A motion was made and seconded to find Steven Fillenwarth in noncompliance. His license shall be placed on conditional status pending the completion of eleven (11) hours of group study only CPE and payment of a one hundred and ten (\$110) dollar civil penalty.

HOLT/O'BRIEN

Motion carried 6-0-0

Hartman, Kimberly

A motion was made and seconded to find Kimberly Hartman in noncompliance. Her license shall be placed on conditional status pending the completion of four and a half (4.5) hours of CPE including four (4) hours in the subject matter of ethics and a half (.5) hour in the subject matter of Accounting & Auditing and payment of a two hundred (\$200) dollar civil penalty.

HOLT/O'BRIEN

Motion carried 6-0-0

Seale, Joel Scott

A motion was made and seconded to find Joel Scott Seale in noncompliance. His license shall be placed on conditional status pending the completion of sixty two and a half (62.5) hours of CPE including four (4) hours in the subject matter of ethics and four and a half (4.5) hours in the subject matter of Accounting & Auditing and payment of an eight hundred and twenty –five (\$825) dollar civil penalty.

HOLT/DEISHER

Motion carried 6-0-0

C. RECOMMENDATION: Civil Penalty \$1,000 - \$5,000

Ashby, Christopher

A motion was made and seconded to find Christopher Ashby in noncompliance. His license shall be placed on conditional status pending the completion of one hundred and eighty (180) hours of CPE including four (4) hours in the subject matter of ethics and twelve (12) hours in the subject matter of Accounting & Auditing with no more than fifty (50) percent of total hours in self study and payment of a five thousand (\$5,000) dollar civil penalty.

HOLT/DEISHER

Motion carried 6-0-0

Coss, Kathy Sue

A motion was made and seconded to find Kathy Sue Coss in noncompliance. Her license shall be placed on conditional status pending the completion of twenty eight and a half (28.5) hours of CPE including ten (10) hours in the subject matter of Accounting & Auditing and payment of a one thousand one hundred (\$1100) dollar civil penalty.

HOLT/DEISHER

Motion carried 6-0-0

Moody, Mark

A motion was made and seconded to find Mark Moody in noncompliance. His license shall be placed on conditional status pending the completion of one hundred and eighty (180) hours of CPE including four (4) hours in the subject matter of ethics and twelve (12) hours in the subject matter of Accounting & Auditing with no more than fifty (50) percent of total hours in self study and payment of a five thousand (\$5,000) civil penalty.

HOLT/KANE

Motion carried 6-0-0

D. Petitions for Review: RECOMMENDATION: Grant Request - No Hearing Required

Roemer, Mary Catherine

A motion was made and seconded to rescind the notice of noncompliance and find the petition for review moot. A revised notice of noncompliance will be issued placing the license on conditional status pending the completion of ninety (90) hours of CPE including twelve (12) hours in the subject matter of Auditing & Accounting with no more than fifty (50) percent of the total hours in self study and payment of a three thousand and eighty-five (\$3,085) dollar civil penalty.

HOLT/O'BRIEN

Motion carried 6-0-0

Jenkinson, Teresa

A motion was made and seconded to rescind the notice of noncompliance and find the petition for review moot. A revised notice of noncompliance will be issued placing the license on conditional status and accepting the previously submitted three (3) CPE hours in the subject matter of ethics and pending payment of a one hundred (\$100) dollar civil penalty.

HOLT/COY

Motion carried 6-0-0

E. Petitions for Review: RECOMMENDATION: Schedule for a Hearing

Prall, Fred

A motion was made and seconded to grant Fred Prall's petition for review with Board member Jamie O'Brien appointed to preside over these hearings as the administrative law judge with all other Board members as alternatives.

HOLT/O'BRIEN

Motion carried 6-0-0

F. Failure to Respond to Notice of Noncompliance

A motion was made and seconded to suspend the following individual's license.

- i. Douglas, Melinda
- ii. Paszt, Laura
- iii. Roth, Richard Alan
- iv. Seall, John
- v. Hite, Mark Allen

HOLT/DEISHER
Motion carried 6-0-0

VII. OLD/NEW BUSINESS

A. Continuing Education Audit

Wilkes, Michelle Ann

A motion was made and seconded to rescind the notice of noncompliance without prejudice referencing correspondence from October regarding serious health issues. Further contact will be made in six (6) months to confirm conditions to provide CPE documentation.

KANE/HOLT
Motion carried 6-0-0

Jennings, Robert Martin

The Board request that the Professional Licensing Agency staff send notice through U.S. Mail requesting further documentation of CPE certificates in question before rendering a decision.

B. In the Matter of the Unlicensed Practice of FNO Professional Services

Re: Proposed Settlement
Order to Show Cause Re: Motion to Cease and Desist
Cause No.: IBA 13-01

C. In the Matter of the Unlicensed Practice of Florence Onochie

Re: Proposed Settlement
Order to Show Cause Re: Motion to Cease and Desist
Cause No.: IBA 13-02

A motion was made and seconded to accept the proposed settlement for both FNO Professional Services and Florence Onochie.

HOLT/DEISHER
Motion carried 5-0-0 Mr. Kane recused himself.

D. In the Matter of the Unlicensed Practice of Whitewater Group

Re: Proposed Settlement
Order to Show Cause Re: Motion to Cease and Desist
Cause No.: IBA 13-04

A motion was made and seconded to accept the proposed settlement.

HOLT/O'BRIEN
Motion carried 5-0-0 Mr. Kane recused himself.

VIII. DISCUSSION

A. SB 497 – Regulation of accountancy

Provides that a firm permit is required for an accounting practitioner working for a client. Provides that a member of the Indiana Board of Accountancy may not serve more than three complete consecutive terms. (Current law allows for only two consecutive terms.) Increases the fee for a permit to hold an accounting certificate from \$10 to \$20. Provides that penalties are deposited into the accountant investigative fund, and increases from \$750,000 to \$1,000,000 the amount of money that must be in the fund before it reverts to the state general fund. Removes the word “knowingly” from the requirements for civil penalties for violating the licensing law. Allows retired status and specifies use of “retired” in the designation of CPA.

Current information shows that this bill will not be heard by committee this year.

IX. STANDING REPORTS

A. Board Liaison to the Attorney General’s Office – John Kane

No new information to present.

B. Indiana Professional Licensing Agency –Kate Lowhorn

Mrs. Lowhorn notified Board members that both personal appearance request rendered at the January meeting will be in attendance at the April meeting.

C. Compliance Director Update- Brian Cusimano

Mr. Cusimano presented updated audit numbers showing 22% non compliant and 78% compliant in the 2012 audit. This included a total of \$250,000 in assessed fines.

D. Advisory Counsel – Jim Schmidt

No new information to present.

E. Office of the Attorney General

Mr. Basile presented the current consumer complaint report. This report will be added to the Accountancy website by IPLA for public access.

XV. ADJOURNMENT

There being no further business and having completed its duties, a motion was made and seconded to adjourn the meeting of the Indiana Board of Accountancy.

The meeting adjourned at 11:34 AM.

Next Scheduled Meeting:
April 19, 2013
Indiana Professional Licensing Agency
402 W. Washington St., Room W064
Indianapolis, IN 46204